



TSR Predicts an Active Atlantic Hurricane Season in 2007

TSR's extended outlook predicts Atlantic basin and U.S. landfalling activity will be 60% above norm in 2007

London, 7 December 2006 - Tropical Storm Risk (TSR), the award-winning consortium of experts on insurance, risk management and seasonal climate forecasting led by the Benfield UCL Hazard Research Centre at University College London, today warned that a return to high hurricane activity in 2007 was likely following the below-average 2006 hurricane season. TSR's long-range forecast anticipates Atlantic basin and U.S. landfalling hurricane activity will be 60 percent above the 1950-2006 norm next season.

According to TSR, whose long-range outlooks for the exceptionally active 2004 and 2005 hurricane seasons and active 2003 hurricane season proved accurate, it is 76% likely that U.S. landfalling hurricane activity in 2007 will be in the top one-third of years historically.

TSR's long-range hurricane prediction includes:

- A 79% probability of an above-normal Atlantic hurricane season, a 15% probability of a near-normal season and only a 6% chance of a below-normal season
- 16 tropical storms for the Atlantic basin as a whole, with nine of these being hurricanes and four intense hurricanes
- A 76% probability of above-normal U.S. landfalling hurricane activity, a 15% likelihood of a near-normal season and only a 9% chance of a below-normal season
- Five tropical storm strikes on the U.S., of which two will be hurricanes
- Two tropical storm strikes on the Caribbean Lesser Antilles, of which one will be a hurricane

The two main climate factors influencing the TSR hurricane forecast for 2007 are the expected values in August and September for the speed of trade winds which blow westward across the tropical Atlantic and Caribbean Sea and the temperature of the sea waters between west Africa and the Caribbean where many hurricanes develop. The former influences cyclonic vorticity (the spinning up of storms) while the latter provides heat and moisture to power incipient storms. TSR anticipates weaker than normal trades and warmer than normal waters in 2007: conditions which both favour an above-average hurricane season.

Professor Mark Saunders, the TSR lead scientist and Head of Weather and Climate Extremes at the

Benfield UCL Hazard Research Centre at University College London, is confident that 2007 will be another active hurricane season: *“In addition to our core model prediction, further support that 2007 will see above-normal hurricane activity to 80% likelihood comes from the link between El Niño events in +ve AMO (Atlantic Multidecadal Oscillation) years - as we are currently experiencing - and the level of hurricane activity in the following year. Since 1950 there have been 10 El Niño events in +ve AMO years. Eight out of ten of these (i.e. 80% of years) were followed by above-normal hurricane activity next season. This result occurs because El Niño conditions tend to reverse sign by the following summer.”*

Allaying concerns over the precision of long-range hurricane outlooks after their less than impressive performance in 2006, Professor Saunders added: *“The 2006 hurricane season is atypical of years since 1950 and should not reflect badly on the general capability of forecasts. The below-average 2006 hurricane season was due to the presence of considerable African dry air and Saharan dust during August and September which inhibited thunderstorm occurrence and therefore tropical storm development, and to the unexpected onset of El Niño conditions from mid-September. There is no precedent for these factors together having been so influential before.”*

TSR forecasts may be accessed through the website www.tropicalstormrisk.com.

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About Tropical Storm Risk (TSR):

Founded in 2000, Tropical Storm Risk (TSR) offers a leading resource for forecasting the risk from tropical storms worldwide. The venture provides innovative forecast products to increase risk awareness and to help decision making within the (re)insurance industry, other business sectors, government and society. The TSR consortium is co-sponsored by Benfield, the world's leading independent reinsurance and risk intermediary, Royal & Sun Alliance, the global insurance group, and Crawford & Company, a global claims management solutions company. The TSR scientific grouping brings together climate physicists, meteorologists and statisticians at University College London and the Met Office.

Tropical Storm Risk has won two major insurance industry awards during the past three years. In 2006 TSR was awarded the prestigious Risk Management Award at the British Insurance Awards, and in 2004 won the British Insurance Award for London Market Innovation of the Year. www.tropicalstormrisk.com

About Benfield UCL Hazard Research Centre:

Benfield UCL Hazard Research Centre is sponsored by Benfield, the world's leading independent reinsurance and risk intermediary. With over forty researchers and practitioners, the Benfield UCL Hazard

Research Centre is Europe's leading multidisciplinary academic hazard research centre and comprises three groups: Geological Hazards, Weather and Climate Extremes, and Disaster Studies and Management. The Centre is based at University College London, which along with Oxford and Cambridge, is one of the UK's top three multi-faculty teaching and research institutions. www.benfieldhrc.org